

**CIA INTERNAL USE ONLY**

*Normal 5*  
*S*

25X1A

17 August 1956

MEMORANDUM TO:

SUBJECT : Comment on House Report 2894  
Employment and Utilization of Experts  
and Consultants

*By Carg 2 & less*

OGC Has Reviewed

1. Recently you asked me to look over this report and comment as to any effect it might have upon this Agency.

2. Since this is my first exposure to this overall subject, I am not familiar with the correspondence that may have been submitted to the Committee which gave rise to the figures relative to CIA on pages 20 and 28.

FOIAB5

FOIAB5

3. If the recommendations of the Committee on pages 24-26 of the report were to take statutory form, the two acts upon which we rely (as well as the Defense Production Act and such other special statutory authorities as are relied upon by various agencies) would be amended, so that the only authority for the appointment of experts and consultants would be Section 15 of Public Law 600 (Administrative Expenses Act of 1946).

4. The expert and consultant provisions of P. L. 600 would also be amended to accomplish the following purposes:

a. A centralized authority in the Civil Service Commission to control the appointment and utilization of experts.

b. A removal of existing exemptions to the conflict of interest statutes. This recommendation is coupled with another which seems to run counter to it--"exemptions... should be granted only by the head of the employing agency". Such exemption by the head of an agency, however, would be required to be published in the Federal Register.

c. All experts and consultants would be required to take the oath of office and be carried as employees of the United States.

**CIA INTERNAL USE ONLY**

5. There are several other recommendations but they are either of no special interest to this Agency or are merely elaborations of the preceding. In general, provided only that we obtain the agreement of the Civil Service Commission that our special security requirements preclude revealing to the Commission the identities or duties of our experts and consultants, it would seem that we would be in about the same position as presently. I make this statement on the assumption that the exemption from conflict of interest statutes has very little practical importance for this Agency.

25X1A

Assistant General Counsel

Distribution:

- Orig. & 1 - Addressee
- 1 - Subject
- 1 - Signer
- 1 - Chrono